

East Bayfront ("EBF")

Bayside Development

Hines Canada ("Hines") has commenced the process of preparing a Plan of Subdivision application for the Bayside lands. This involves the retention of various consultants to address issues such as traffic, servicing and community facilities. As part of this process Hines and Waterfront Toronto ("WT") have met with City staff to ensure that the application addresses all of the issues that affect these lands. And in support of this application WT has engaged an environmental consultant to ensure that all environmental approvals are in place to support the projected development.

The Construction Documentation drawings for the promenade have been finalized but have not been submitted to the City of Toronto. Submission to the City of Toronto has been postponed until the drawings can be coordinated with the future Bayside Development.

The Plan of Subdivision process is a statutory process that will involve public engagement and consultation throughout. In addition, Hines will take advantage of the EBF Stakeholder Committee as a forum for discussing issues.

Assuming overall support for the plan, then it is expected that servicing of the first phase of the project will commence in 2012 and, subject to market conditions, the first buildings could be under construction as early as 2013.

Parkside Development

Great Gulf is in the process of finalizing their Site Plan application and has arranged a presubmission meeting with the EBF Stakeholders and the local Councillor for next week. They intend to market their project out of the WT-owned building at 291 Lake Shore Boulevard East, which they have leased from WT for the expected life of the project, and have commenced construction on the sales centre. Although a firm date has not been set, it is expected that they will commence soft marketing over the summer and open the sales centre in the fall.

George Brown College ("GBC")

GBC has been granted Site Plan Approval and has advised that they remain on schedule to open to students in September 2012. GBC and WT, in co-operation with the TTC, have recently engaged a transportation consultant to determine the most efficient configuration for the access into and out of the Dockside site, to ensure smooth transit operations for the students while not negatively impacting on Corus's operations.

Construction is on schedule. GBC has notified WT that the construction of public realm adjacent to their building (Dockside Local Streets Phase 2) is to start construction by May 2012 and be completed by August 2012.

Queens Quay Linear Park

The design team is about to commence Detailed Design of the Queens Quay linear park that will restore the Martin Goodman Trail in EBF.

Infrastructure

The construction of the external sanitary sewer that will provide sanitary capacity for Dockside, Parkside and the initial phases of Bayside has commenced. WT has met with various stakeholder groups including several owners and merchants along The Esplanade, as the route of the sewer takes it up Jarvis Street and west along the Esplanade to the Scott Street pumping station, to ensure minimal disruption to their operations. Work is projected to take approximately 16 months, weather permitting.

Sidewalk Cafe Guidelines

West 8+DTAH and WT have completed a Patio Guidelines Document which would influence all patios in EBF. This document has been presented to Toronto Port Lands Company ("TPLC") and their operator (Against The Grain), Great Gulf and their landscape architect for Parkside, and Hines. The feedback has generally been positive and receptive. We will continue to work with the developers to assist in its implementation.

Central Waterfront ("CWF")

Queens Quay Design

The design team has finalized and submitted a 90% Detailed Design submission. This task included coordination with utility companies, city departments (including Transportation, Technical Services, Toronto Water, etc), TTC, and various community stakeholders.

Queens Quay Funding

90% Detailed Design has been completed and submitted however, the team is currently on hold as we wait for funding to complete Detailed Design and commence Construction Documentation. The delayed signing of the Contribution Agreement continues to impact the release of Requests For Proposals ("RFPs") and has now delayed design work. WT continues to work with the City of Toronto to try and secure the funding.

Community Consultation

On April 12, 2011 and again on April 29, 2011, WT met with the Queens Quay BIA to better understand their needs and to work together to ensure that the future designs meet there needs wherever possible. WT also hosted a general stakeholder meeting, the Queens Quay Working Group, on April 26, 2011.

Ongoing Coordination with the City

WT continues to have success in working through extensive feedback received from the City on the first design submission. Many of the issues raised have been reviewed together and resolutions found. Major issues still pending resolution include: use of Silva Cell tree soil system in the public Right of Way, TTC median curb height and fire's access to it, and vehicular curbside strategies including bus management.

Portland Waters Edge

100% Construction Documentation drawings are scheduled for completion at the end of May 2011. Submissions for the prequalification of contractors have been received and we are in the process of evaluating the submissions.

Canada Square

We are in the process of negotiating the Guaranteed Maximum Price for the York Quay garage and taking steps to ensure that enough funding is available to install a temporary landscape that would work as an interim condition until Harbourfront Centre ("HFC") can fund the permanent landscape as designed by Michael Van Valkenburgh Associates.

Planning and Design

Lower Don Lands

The Don Mouth Naturalization and Port Lands Flood Protection EA has been submitted and is currently being reviewed by the MOE.

Underpass Park

Excavation and backfilling began on the middle block (of the three blocks) at the beginning of April 2011.

Don River Park

Pavilion will be fully constructed by end of May 2011, and fully commissioned by end of August 2011. Construction of the park resumed at the beginning of April 2011.

Canada's Sugar Beach

An accessible ramp was recently added to Canada's Sugar Beach to allow wheelchairs access to the sand and an umbrella.

Other

Soil Recycling Facility ("SRF")

The analysis of the technological, environmental, and economic viability of the soil washing process for Designated Waterfront Area ("DWA") soils is underway. The long term business plan will be based on the reports submitted to the Corporation on February 15, 2011 by the two pilot facility operators, outlining the technical and economic performance of the pilot, as well as their long term economic performance projections for a full scale soil recycling facility. Preliminary discussions have been initiated with Ministry of Environment ("MOE"), Infrastructure Ontario ("IO"), City of Toronto and TPLC regarding the feasibility and conditions for a full scale soil recycling facility. Since it is unlikely that WT will have suitable and approved development sites to make use of the treated soils in the near future, the treated sand and gravel output from the full scale recycling facility will need to be marketed as saleable construction materials, provided there is concurrence from MOE. Potential clients would include contractors, developers, municipalities and concrete production companies. Subject to the results of the Pilot Project confirming the viability of large scale treatment, next steps will include: applying for MOE approval to operate a long term SRF; entering into a contract to operate the long-term SRF; and completing negotiations with TPLC for the utilization/acquisition of the Unwin site for this purpose. The business plan for this will be tabled with the Board before a final decision is taken.

Health and Safety

On April 19, 2011, heavy rains coupled with an open adjacent excavation resulted in the undermining of an Ontario Hydro high voltage line that is located under Sherbourne Common North. The underground line was shut down by Ontario Hydro and the contractor proceeded to re-instate the bedding under the line. The line was re-energized and no injuries resulted from this incident.

Communications and Marketing

The marketing and communications team won two Ovation awards for its communications efforts from the International Association of Business Communicators (IABC), Toronto branch. WT's media relations for Canada's Sugar Beach and its community relations program for renaming Sherbourne Park both won awards of merit.

Proactive, Strategic Media Relations

WT's monthly newsletter continues to draw interest from journalists. News of our new Minimum Green Building Requirements in the April issue has led to a story on WT's sustainability practice in an upcoming issue of Condo Business Magazine and a news item in Novae Res Urbis.

On April 15, 2011, WT issued a joint news release with IO to announce the release of a request for qualifications to qualify non-profit housing corporations to participate in a request for proposals to own and operate affordable rental housing buildings being developed as part of the Toronto 2015 Pan/Parapan American Games Athletes' Village in the West Don Lands ("WDL").

WT helped the Harlem Globetrotters hold a media event at Canada's Sugar Beach on April 8, 2011 to promote the Toronto leg of their North American tour. The event featured two Globetrotters taking 4-point shots from a boat onto Canada's Sugar Beach. Numerous television, print and online media covered the event which nicely promoted the new park.

Build and Implement the Brand

WT has created comprehensive Visual Identity and Style Guidelines to ensure consistent and impactful branding. The guidelines apply to all materials and tools produced internally and externally for communicating and marketing our projects, plans and initiatives. The document sets out standard uses and specifications for logos, tagline, colour palette, document layout, typography, signage, imagery and more. We will be rolling out these guidelines to employees and consultants later this month.

WDL branded hoarding panels have been recycled and are now located prominently along Eastern Avenue around the western boarder of the Underpass Park site. The panels were originally used on St Lawrence Street and were taken down for the construction of the Toronto Community Housing Corporation development. WT's hoarding signage is designed and installed so that it can be reused and reconfigured to increase its longevity and maximize our investment.

WT created a new updated three-dimensional waterfront map to showcase waterfront revitalization. The new map incorporates completed waterfront projects, projects under construction and also future planned projects in the context of Toronto's downtown core. The map will be used for a variety of purposes including marketing materials, presentations, on the website and in the 2011 report to the community.

Excellence in Stakeholder & Community Consultations and Communications

On April 6, 2011 WT held a York Quay Working Group meeting to discuss the updated plans for the surface and outline the construction schedule. We continue to meet each month with the Construction Liaison Committee.

WT is now leading the Construction Liaison Committee for WDL that was originally established by the Ontario Realty Corporation to address construction issues related to site preparation, remediation and construction of the flood protection landform. The focus of the committee is expanding as construction moves into additional phases and we are expanding membership to better represent the broader community. The first WT led meeting took place on April 12, 2011.

On May 8, 2011, WT assisted in two waterfront walking tours showcasing the EBF and Lower Don Lands communities as part of the annual Jane's Walk. Jane's Walk is a free annual event that celebrates the ideas and legacy of urbanist Jane Jacobs by getting people out exploring their neighbourhoods. The waterfront walking tours were organized by community members wanting to promote waterfront revitalization.

Sustainability

Minimum Green Building Requirements ("MGBR")

The second phase of the new MGBR Development is a review of the MGBR tracking system and internal processes at WT to ensure compliance with the Corporation's LEED Gold and MGBR requirements. This process will be completed in the next few months and involves consultation with development partner representatives and City of Toronto staff.

Carbon Tool

WT is currently finalizing a maintenance contract with the University of Toronto Cities Centre to keep the Carbon Tool up to date in terms of technological inputs and baseline data management. We anticipate that once the Tool is applied against WT Precincts, the results will be helpful to test different sustainable development strategies and help to determine which strategies have the greatest impact in terms of carbon reduction and minimizing resource consumption. This in turn will help to inform the next generation of WT green building and sustainable development requirements and contribute to transform the market outside the WT areas. A larger communications strategy for the WT Carbon Tool will be developed in concert with the Clinton Climate Initiative and rolled out in conjunction with the GreenBuild Conference & Expo in October this year here in Toronto.

Miscellaneous

WT continues to advance additional sustainable development initiatives and technology including the following:

- Partnership with Toronto Hydro to install Electrical Vehicle ("EV") Charging Stations within the second phase of WDL (Front Street and Bayview Avenue);
- Continue to work with the necessary Provincial Ministries in terms of new regulations and policies which support the WT sustainable approach to soil remediation and soil washing technology;
- Continue to advance discussions with industry experts in order to advance the WT objective to develop district energy and distributed heating and cooling systems in the DWA.

LEED (ND)

WT is reviewing options with respect to the advancement of the LEED (ND) Stage I Certification received through the USGBC. The cost and merit of pursuing Stage II Certification is being explored together with the relative cost and advantages of proceeding through the "final" LEED (ND) system which was developed following the pilot project.